



Winter 2007

Fair Housing News

Fair Housing: It's Not an Option, It's the Law!



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Our Mission

To promote equal housing opportunities for all persons in America by administering laws that prohibit discrimination in housing on the basis of race, color, religion, sex, national origin, disability and familial status.

HUD Charges Erie Insurance Group with Race Discrimination

On October 20, 2006, HUD charged Erie Insurance Group and five agencies licensed to sell Erie insurance products with violating the Fair Housing Act. HUD alleged that Erie and the five agencies provided inferior insurance products to homeowners in African-American neighborhoods than to homeowners in white neighborhoods with comparable homes. The Fair Housing Act makes it illegal to refuse to provide property or hazard insurance for dwellings or to subject current or potential policyholders to different terms because of their race.

HUD started its investigation as a result of a complaint filed by the Fair Housing Council of Central New York (FHCCNY). FHCCNY conducted a total of 12 paired tests where testers called Erie agents seeking insurance for homes in either Syracuse (which is largely African American) or Liverpool (which is mainly white). FHCCNY closely matched the properties for several characteristics, including age of the property; type of construction; square footage; age and type of the siding, roof, and heating and plumbing systems; and presence of burglar and smoke alarms.

FHCCNY found that Erie did not provide homes in African-American neighborhoods in Syracuse, N.Y., with the same level of

Erie did not provide homes in African-American neighborhoods with the same level of insurance coverage it provided for similar homes in white neighborhoods.

insurance coverage it provided for similar homes in white neighborhoods in Liverpool, N.Y. In four of the tests, the testers seeking insurance for homes in Syracuse did not receive a quote for homeowners' insurance despite a specific request, whereas the testers seeking insurance for homes in Liverpool received a quote over the telephone or by mail. Additionally, in four other tests, the testers seeking insurance for homes in Syracuse received quotes for Erie's second-broadest coverage, Extracover, but did not receive quotes for Erie's best insurance product, Ultracover. The Ultracover policy provides more extensive replacement cost coverage than the Extracover policy.

Furthermore, HUD's investigation found that in the State of New York the percentage of the African-American population in a ZIP code is a statistically significant predictor of Erie's sales in that ZIP code; i.e., the higher the African-

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HUD Issues Guidance for Housing Providers on Serving Persons with Limited English Proficiency

On January 22, 2007, HUD published guidance in the Federal Register to assist housing providers in ensuring that people with limited English proficiency (LEP) have equal access to housing and related services.

Title VI of the Civil Rights Act, which prohibits discrimination on the basis of race, color, or national origin in federally-assisted programs, and its implementing regulations require that HUD recipients

take reasonable steps to ensure that persons with LEP have meaningful access to programs and activities. The guidance helps recipients comply with their statutory and regulatory obligations.

"The goal of the LEP guidance is to eliminate the disparities in access to housing between those with a limited

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African-American Couple Receives Settlement Valued at \$30,000 from Pennsylvania Apartment Complex for Alleged Race Discrimination

On December 11, 2006, HUD announced that it negotiated a settlement valued at \$30,000 for an African-American couple who allege that a Bensalem, PA, apartment complex refused to rent to them because of their race. The couple, Talitha Fleming and William Murray, filed a complaint with HUD in August 2005 alleging that Country Commons Apartments, a 352-unit HUD-subsidized apartment complex owned by Richlieu Associates and managed by AIMCO, denied them tenancy at the complex while giving preferential treatment to applicants of Russian descent.

As part of the settlement, Country Commons and AIMCO agreed to pay the couple \$10,000, plus the monthly rent at their current residence until a unit becomes available at Country Commons. After a unit becomes available, Country Commons and AIMCO will pay the couple's rent for the first 18 months of their tenancy. Also, Country Commons will refund the first month rent and security deposit. In total, the couple is expected to receive approximately \$20,000 in rental payments and waivers from Country

Commons and AIMCO.

The agreement also requires Country Commons to immediately discontinue the use of its current waiting list to fill vacancies. Instead, Country Commons must establish one waiting list for each unit size. The agreement includes guidance for creating the new waiting lists. For example, Country Commons must use waiting list software that tracks the date and time the application was submitted, name of the head of household, annual income, and need for accessible features. HUD will monitor the performance of Country Commons in implementing the new lists. Until the new lists are created, Country Commons is not permitted to fill any vacancies without first receiving approval from HUD.

Country Commons allegedly denied the application of an African-American couple while giving preferential treatment to applicants of Russian descent.



Furthermore, Country Commons and AIMCO must contact other African Americans whose applications it denied to determine if they are still interested in residing at Country Commons. If so, Country Commons is required to work with them to resolve any credit issues that would otherwise prevent their residency. Those applicants will be placed at the top of the new waiting lists in the order in which they become eligible for tenancy.

In addition, the agreement requires several employees of Country Commons to attend fair housing training or sensitivity training on interacting with racial and ethnic minorities and others protected by the Fair Housing Act.

Nashua Housing Authority Agrees to Design and Implement Plan to Serve Persons with Limited English Proficiency

In January 2007, HUD and the Nashua, NH, Housing Authority (NHA) reached an agreement that requires NHA to design and implement a plan to provide persons with limited English proficiency (LEP) meaningful access to NHA's housing and related services.

The agreement resolves a complaint that HUD received from Rafael and Ana Rodriguez alleging that NHA discriminated against them based on national origin. Specifically, the

complainants alleged that NHA failed to provide them with information in Spanish.

Although NHA denies the allegations, it has agreed to pay \$2,500 to the complainants and \$500 to New Hampshire Legal Assistance to cover the complainants' attorney fees. A portion of the \$2,500 will be used to pay the amount of rent underpaid as a result of the dispute.

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comprehension of English and fluent English-speakers," explained Kim Kendrick, HUD's Assistant Secretary for Fair Housing and Equal Opportunity.

To assist persons with LEP, HUD has translated its model lease into Spanish and its housing discrimination complaint form into Arabic, Vietnamese, Russian, Chinese, and Spanish. Interested persons may obtain the Spanish, Vietnamese, and Chinese translations at <http://www.hud.gov>. In addition, the Arabic, Russian, and Korean translations can be accessed

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Year In Review – HUD's Office of Fair Housing and Equal Opportunity

In FY 2006, HUD and state and local government agencies in HUD's Fair Housing Assistance Program (FHAP) received a combined total of 10,328 housing discrimination complaints—the highest number received in a single fiscal year. On average, HUD and FHAP agencies receive roughly 8,000 complaints annually.

The most common bases of alleged discrimination were race and disability, each cited in about 40 percent of the complaints. Housing discrimination complaints most often alleged discrimination in the terms and conditions in the sale or rental of property or refusal to rent.

To help investigate complaints, HUD further expanded its network of FHAP agencies. In FY 2006, HUD added four agencies to the FHAP, bringing the total to 107 agencies in 38 states and the District of Columbia.

In addition to investigating complaints filed by the public, HUD launched Secretary-initiated investigations under the Fair Housing Act. One of the investigations involved allegations that the City of Manassas, VA, tried to discourage Hispanics from living in the city by

In FY 2006, HUD and state and local government agencies received over 10,000 housing discrimination complaints—the highest number received in a single fiscal year.

passing an ordinance that restricts households to immediate relatives. Another investigation examined whether race played a role in the decision of Iberville Parish, LA, to pass a resolution disallowing the Federal Emergency Management Agency (FEMA) from establishing

trailer parks in specific sites within the Parish.

HUD believes that the rise in complaints may be due, in part, to its increased emphasis on educating the public on their fair housing rights and how to report housing discrimination. Since FY 2003, HUD has conducted several media campaigns on fair housing. In January 2006, HUD launched a media campaign informing survivors of Hurricanes Katrina and Rita of their fair housing rights. Between January 2006 and June 2006 the campaign received \$1,113,900 in donated media.

HUD also educates the public by awarding Fair Housing Initiatives Program (FHIP) grants to public, private, and nonprofit groups to

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On February 5, 2007, President Bush submitted his FY 2008 budget to Congress, which included \$24.8 million for the Fair Housing Assistance Program (FHAP) and \$20.2 million for the Fair Housing Initiatives Program (FHIP).

In addition, NHA agreed to draft a written plan for serving persons with LEP. To draft the plan, NHA will conduct an analysis of (1) the number or proportion of LEP persons eligible to be served or likely to be encountered by the program, (2) the frequency with which LEP persons come into contact with the program, (3) the nature and importance of the program, activity, or service provided by the program, and (4) the resources available to execute the program within 45 days of the date of the agreement.

Based on the analysis, NHA will draft a written LEP plan. The plan will include provisions for (1) training staff on providing meaningful access to services and information for

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persons with LEP, (2) identifying persons with LEP that need the availability of services, and language assistance, (3) providing language services, (4) informing persons with LEP and (5) monitoring the effectiveness of the plan.

The plan will also summarize the options for providing oral and written language services, which may include the hiring of bilingual staff, contractors, or the use of telephone interpreters, family members, friends, or volunteers, and the translation of documents. Additionally, the plan will explain the protocol for using each of the

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American population, the fewer sales by Erie. Moreover, HUD's investigation found that, in New York State, Erie was less likely to appoint agents to neighborhoods with large African-American populations. Erie has four times as many agents per 100,000 population in ZIP codes with the lowest African-American share of the population than in ZIP codes with the highest African-American share of the population.

The five agencies licensed to sell Erie insurance products that were charged by HUD were R.K. Johnson & Associates; Salanger & Hayward Agency, Inc.; CNY Insurance Associates; the Vacco Agency, Inc.; and the Grimsely Agency, Inc.

Housing discrimination charges are heard before an Administrative Law Judge unless either party elects to have the case heard in federal district court. FHCCNY has elected to proceed in federal district court.

HUD's Office of Fair Housing and Equal Opportunity

451 7th Street, SW
Washington, DC 20410

Individuals may report
housing discrimination to
HUD by calling

1-800-669-9777 (Voice)
1-800-927-9275 (TTY)

or by completing a form at

www.hud.gov/fairhousing

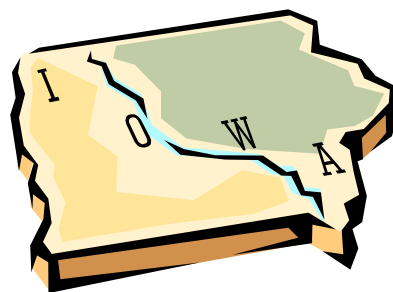


HUD Certifies Cerro Gordo County Human Rights Commission to Investigate Housing Discrimination Complaints

In September 2006, HUD admitted the Mason City (Cerro Gordo County, Iowa) Human Rights Commission to the Fair Housing Assistance Program (FHAP). As a FHAP agency, the Commission will receive HUD reimbursement for investigating housing discrimination complaints filed within its jurisdiction. In addition, the Commission will be eligible to receive HUD funding to build its capacity.

In order to participate in FHAP, a jurisdiction must enact a fair housing law that provides rights, remedies, procedures, and opportunities for judicial review that are substantially equivalent to those provided by the federal Fair Housing Act.

Mason City (Cerro Gordo County) is the eighth jurisdiction in Iowa to be certified by HUD as enforcing a law that is substantially equivalent to the federal Fair Housing Act. Additionally,



the State of Iowa is certified as a FHAP agency.

Mason City (Cerro Gordo County) residents may file a complaint with the Commission if they believe they have experienced housing discrimination. For more information on how a state or locality can participate in the FHAP or to find a FHAP agency in your state, go to the Partners page on HUD's fair housing Web site at <http://www.hud.gov/fairhousing>.

HUD Employees Provide Holiday Gifts for Low-Income Families

In December 2006, employees of HUD's Office of Fair Housing and Equal Opportunity sponsored four families for the holiday season. The families are residents of Benning Terrace, a public housing community in the District of Columbia. Elbert Dixon, property manager for Benning Terrace, recommended the families to HUD's fair housing staff.

The families submitted "wish lists" to HUD's fair housing staff that included toy, clothing, and household items. HUD's fair housing employees purchased items from these lists, including, clothing, coats, hat/glove sets, dishes, microwave, DVD player, toys, bicycles and tricycles, and gift cards.

On December 20, 2006, several of HUD's fair housing staff members delivered the presents to the families.



HUD staff members with residents of Benning Terrace that received holiday gifts.

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conduct fair housing education and outreach. During FY 2006, FHIP recipients held 697 public events that provided approximately 250,799 people with fair housing information. These activities were mostly conducted under grants awarded in FY 2005. In FY 2006, HUD awarded FHIP grants totaling \$18.1 million to 102 groups to conduct fair housing enforcement and education activities in FY 2007.

HUD also educates housing professionals on the requirements of fair housing laws. For instance, HUD instructs architects and others on the accessibility requirements of the Fair Housing Act through its training program, Fair Housing Accessibility FIRST. In FY 2006, FIRST trained 1,185 individuals in 11 training sessions in 9 states.